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FM AMEMBASSY SARAJEVO
TO RUEHC/SECSTATE WASHDC IMMEDIATE 7233
INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE PRIORITY
RUEKJCS/SECDEF WASHDC PRIORITY
RHEFDIA/DIA WASHINGTON DC PRIORITY
RUEAIIA/CIA WASHINGTON DC PRIORITY
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C O N F I D E N T I A L SECTION 01 OF 03 SARAJEVO 002237

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DEPARTMENT FOR EUR (DICARLO), EUR/SCE (FOOKS/STINCHCOMB); NSC FOR BRAUN; OSD FOR BEIN

E.O. 12958: DECL: 10/21/2017
TAGS: <u>PGOV PREL PINR EU BK</u>

SUBJECT: BOSNIA - SERBS CONTINUE PLANS TO CONFRONT HIGHREP

REF: A. SARAJEVO 2236

_B. SARAJEVO 2195

_C. SARAJEVO 2041

Classified By: Ambassador Charles L. English for reasons 1.4(b) and (d)

11. (C) SUMMARY: Despite intensive public and private diplomacy over the October 19-21 period, Republika Srpska (RS) PM Milorad Dodik and other leaders of the Alliance of Independent Social Democrats (SNSD) still appear determined to force a confrontation over the HighRep,s October 19 use of the Bonn Powers to strengthen state institutions. SNSD main board delayed a decision to withdraw its representatives from state-level institutions, but the party,s rhetorical assault on the HighRep and its misleading statements about the implications of his measures continued. Dodik said that he would give the HighRep time to reconsider his actions, but warned SNSD could withdraw its officials from the executive branch and its Members of Parliament would block all legislation, if the HighRep held firm. Dodik also publicly attacked Assistant Secretary Fried for not understanding the HighRep, s measures. The HighRep will meet with Dodik this afternoon in Banja Luka and give him opportunity to make a graceful exit from the political crisis RS leaders have created, but the HighRep will not negotiate with Dodik. Finally, the HighRep told the Ambassador that he understood the importance of ensuring balance with the next round of impositions (i.e., those outlined at the October 15 Quint and aimed Bosniak member of the Tri-Presidency Silajdzic), but expressed concern that the Europeans may balk at plans to announce these on October 26. The Serbs have chosen unnecessarily but deliberately to make this a confrontation over the authority of the HighRep. We must be prepared to meet that challenge. END SUMMARY

Dodik Ratchets Up Rhetoric

12. (SBU) Prime Minister Milorad Dodik and other senior leaders of the SNSD reacted strongly to measures announced by High Representative Miroslav Lajcak on October 19. The measures are designed to facilitate decision-making in state-level executive and legislative institutions (Ref A). Dodik has misleadingly claimed that the HighRep,s decisions alter the constitution and would allow the Bosniaks to "outvote" the Serbs. Dodik and other SNSD leaders have indicated publicly and privately that they plan to aggressively challenge the High Rep. In a series of alarming press statements on October 19 and 20, Dodik said that the RS

will refuse to recognize the decisions and suggested that OHR would have to use "armed forces" to implement them. Dodik convened an extraordinary session of the SNSD main board on Sunday, October 21 to develop a party response to the impositions, which he had publicly hinted might include a decision for all of or some SNSD officials to boycott their state level posts.

Radmanovic Backs Dodik

- $\underline{\$}3.$ (C) Before the SNSD board meeting, the Ambassador spoke by telephone with Bosnian-Serb member of the Tri-Presidency Nebojsa Radmanovic to council restraint. The Ambassador urged Radmanovic to avoid an open conflict between the RS and the international community. The Ambassador also made clear that that the United States stood firmly behind the High Rep's measures, and reiterated points he made to Dodik on October 19 that their sole purpose was to ensure that state-level institutions were capable of functioning. The Ambassador noted that the measures did not alter existing rights of constituent peoples to protect their interests nor did they change the constitution. Statements from the RS leadership about the implications of the High Rep,s actions appeared deliberately misleading, the Ambassador said, adding that it seemed as if certain elements of the RS and SNSD leadership were attempting to create an artificial crisis. The Ambassador said that he hoped SNSD would not take any steps that would open a "chasm between the RS and the HighRep, and with it, United States," which would hurt our relationship and make constructive dialogue difficult.
- $\underline{\P}4$. (C) Radmanovic, asserting that he was from the

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"cool-headed" faction of SNSD, responded that "dialogue is irreplaceable," but complained that the High Rep had closed off possibilities for "legitimate dialogue." Radmanovic claimed that Lajcak had "tricked and lied" to him when they met on Wednesday because the High Rep had failed to brief him on the measures. (Note: On October 17, the High Rep briefed members of the Presidency on the broad outlines of OHR,s "new approach" to Bosnia. OHR briefed party leaders in greater detail on the specific measures on October 19 before they were announced. End Note) Radmanovic said that the RS and SNSD had "never done anything against Dayton and would not do so now," but stated that SNSD had the right to interpret the measures from "different angles" and take appropriate action. When asked directly by the Ambassador if SNSD would consider boycotting state institutions, Radmanovic said that any SNSD member could independently elect to do so, as it would reflect the "will of the people." Radmanovic closed the conversation by urging that the Ambassador continue to discuss the issues with him in person later in the week as "the United States has a key role to play in Bosnia.

SNSD Board Decides to Give HighRep Time to Reconsider

15. (SBU) During its October 21 main board session, SNSD voted to reject the OHR decisions. The SNSD leadership decided to delay a previously prepared decision to formally withdraw their representatives from state-level institutions in order to allow the HighRep time to "reconsider" his measures. In the meantime, SNSD officials would only "passively" participate. Declaring that High Representative had "deprived (RS citizens) of basic human rights," SNSD announced its intention to collect signatures to authorize the submission of a case against OHR in the European Court of Human Rights in Strasbourg. During the main board session, Dodik offered to resign both his post as party president and RS Prime Minister if he "was a problem for the RS," but the party leadership rejected his motion. Following the SNSD meeting, Dodik continued his confrontational rhetoric, accusing Lajcak of "destabilizing" Bosnia, adding, "Nobody

should doubt our determination to go to the end with this." Dodik did back away from earlier comments that indicated a violent response from Banja Luka, stating, "nobody here even thinks of taking a sling in their hands, let alone anything else."

Lajcak: We Must Be Ready for Escalation

16. (C) At an October 21 dinner with the Ambassador, the HighRep said that the international community must be ready for Dodik and the Serbs to escalate the developing confrontation over the October 19 measures. If the Serbs did so, Lajcak stressed that the international community could not back down. Lajcak postulated that the Serbs, aim is to undercut OHR,s authority and hasten its closure, adding that this would free them to pursue their anti-state agenda without regard to the international community, s views. (Note: Late in the evening, Party for Democratic Progress President Mladen Ivanic publicly argued as much, observing that Serbs must challenge the HighRep now to ensure that he no longer uses the Bonn Powers. End Note) Lajcak confirmed that he would meet with Dodik in Banja Luka on October 22, but stressed that he would not negotiate OHR measures with him. Lajcak noted that Dodik plans to travel to Belgrade immediately after their meeting, adding somewhat sarcastically that Russian Deputy FM Titov will be in Belgrade at the same time. Lajcak speculated that Dodik,s willingness to press a confrontation might hinge on the degree of backing for such a course he had from Moscow and Belgrade.

The Need for Balance and a Question of Timing

¶7. (C) Lajcak underscored that he remained committed to proceeding with the plan he outlined to Quint Political Directors in Brussels on October 15, but noted that the Europeans may be reluctant to do so now that the Serbs have chosen to create a political crisis over his October 19 measures (Note: The Brussels plan called for the HighRep to impose two additional measures on October 26: a) annulment of

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the RS Law on Security Companies, b) imposition of the Law on Pharmaceuticals. End Note) Lajcak wondered whether it might make sense to delay action on both until just before or just after the October 30-31 Peace Implementation Council (PIC). The Ambassador underscored that it was important to ensure balance in OHR,s approach to Bosnia,s political crisis. Bosniak member of the Tri-Presidency had contributed as much to the radicalization and rising nationalism of Bosnian politics as Dodik had contributed. The Ambassador noted that imposition of the Law on Pharmaceuticals was intended to signal that OHR was prepared to challenge Silajdzic as well as Dodik.

Dodik Attacked Assistant Secretary Fried

18. (C) RS Radio and Television (RTRS) broadcast a special, unscheduled talk show the evening of October 21 and invited Dodik, Ivanic and Mladen Bosic, President of Serb Democrat Party (SDS) to discuss the HighRep,s actions. Dodik, referring to his conversation earlier in the day with Assistant Secretary Fried, attacked for Fried for supporting Lajcak after having told Dodik that he had not read the October 19 measures. He implied that Fried and other Washington officials did not understand Bosnia or what was happening here. Dodik also labeled Lajcak a "Muslim field agent" and said that Lajcak must "correct" the October 19 measures. Ivanic and Bosic generally took an even tougher line than Dodik and questioned Dodik,s commitment to defending Serb and RS interests. Ivanic proposed that that all RS-based parties launch a formal initiative to return competencies transferred from the entities to the state,

Comment

- 19. (C) Despite the messages we and Washington delivered to Dodik and other leading Serb politicians over the weekend, it still appears that Dodik and SNSD are determined to confront Lajcak and the international community. We, OHR, and key PIC colleagues are engaged in a vigorous public diplomacy campaign to a) correct the deliberately misleading statements from the Serbs about Lajcak, s measures, b) underscore the international community's support for Lajcak (excepting Russia), and, c) make clear the costs to the RS of a confrontation. We are also continuing to deliver strong private messages to the Serb leadership.
- 110. (C) It appears that Dodik had been preparing for a strong confrontation with the HighRep, and with the international community generally, in the aftermath of the collapse of police reform. Certainly, all of the country's political leaders, particularly the Serbs, were anticipating HighRep actions once police reform failed. PDP's Mladen Ivanic may have been accurately expressing Dodik's intent when he said last night that this confrontation with the HighRep was critical to RS interests -- by showing that the HighRep's actions could be ignored, the Serbs could, once and for all, completely neuter the Bonn Powers, preventing their effective use again. The Serbs have thus raised the stakes in this confrontation to the point where OHR's room for tactical maneuver is limited. If we back down, our effort to reassert the international community's authority -- greatly eroded in the Schwarz-Schilling era -- will crumble and with it Bosnia as a functioning state. With this in mind, we should avoid exchanges with Dodik that could be perceived as a negotiation over the measures. And we must be prepared for confrontation, escalating to match what is likely to be complete Serb intransigence. We are stressing these points with the High Rep and other Quint Ambassadors, and we will continue to coordinate closely with them on this issue. ENGLISH